

PROTECT INTEREST OF INNOCENT PERSONS IN PROPERTY USED
IN UNLAWFUL CONVEYANCE OF GOODS

FEBRUARY 19, 1925.—Committed to the Committee of the Whole House on the
state of the Union and ordered to be printed

Mr. DYER, from the Committee on the Judiciary, submitted the
following

REPORT

[To accompany H. R. 7179]

The Committee on the Judiciary, to whom was referred the bill (H. R. 7179) to protect the interests of innocent persons in property which is used in the unlawful conveyance of goods or commodities, report favorably thereon and recommend that the bill do pass.

This bill is now existing law with the exception of the words contained on page 2, lines 10 to 16, inclusive, as follows:

But no proceeding under this section for the forfeiture of any vessel, boat, cart, carriage, or other conveyance, or horses or other animals shall destroy the interest in any property of any person who intervenes in any forfeiture proceeding, who had no knowledge or reasonable grounds for knowing of the use or intended use of such property for conveying such goods or commodities.

It is not intended to relieve anyone guilty of a willful violation of the law, but only to protect the interest of innocent persons in property which may be wrongfully or unlawfully used by others in such violation of law.

The original section 3450 of the Revised Statutes has been interpreted by the Supreme Court of the United States in the recent decision in the case of *J. W. Goldsmith, Jr.-Grant Co. v. The United States*, No. 214, decided January 17, 1921, to cover a case in which a libel was filed against a Hudson automobile, and in which it was charged that the automobile before its seizure was used by three persons, who were named, in the removal and for the deposit and concealment of 58 gallons of distilled spirits upon which a tax was imposed by the United States and had not been paid. It appears that the plaintiff in error, the Grant Co., was the owner in fee simple of the automobile and sold it, retaining the title for unpaid purchase money, and that the car was used by such purchasers in violation

of section 3450, Revised Statutes, but that such use was without the knowledge of the company or any of its officers, nor did it have any notice or reason to suspect that it would be illegally used.

The court holds that the statute forfeits property illicitly used though the owner of it did not participate or have knowledge of the illicit use:

It is the illegal use that is the material consideration, it is that which works the forfeiture, the guilt or innocence of its owner being accidental. If we should regard simply the adaptability of a particular form of property to an illegal purpose, we should have to ascribe facility to an automobile as an aid to the violation of the law. It is a "thing" that can be used in the removal of "goods and commodities" and the law is explicit in its condemnation of such things.

The court admits that such interpretation "seems to violate that justice which should be the foundation of the due process of law required by the Constitution," but that "it is too firmly fixed in the punitive and remedial jurisprudence of the country to be now displaced."

It is to remedy the injustice that results to innocent persons under the interpretation placed upon the statute by the above decision that this amendment is proposed.

